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UNITED NATIONS NEW AGENDA FOR THE DEVELOPMENT OF AFRICA IN THE 1990s

Need for and feasibility of the establishment of a diversification fund for Africa's commodities

Note by the Secretary-General

Addendum

The annex to the present addendum contains the recommendation made by the Panel of High-level Personalities on African Development at its third meeting, held in New York on 2 and 3 December 1993, under the chairmanship of the Secretary-General. The recommendation of the Panel was a result of its consideration of a note prepared by the Executive Secretary of the United Nations Economic Commission for Europe, entitled "Diversification of African Economies and Feasibility of a Diversification Fund".

ANNEX

The Panel recommends that the proposal for a diversification fund for Africa's commodities (see A/48/335 and Add.1) should be further negotiated and adopted by the General Assembly. The Panel considered that the establishment of the National Diversification Councils and the close involvement of the private sector would help in the design and implementation of sound development policies. The Panel is of the view that the proposed facility would be of practical importance for individual African countries to promote pre-investment projects, and could serve as a focal point for the diversification efforts of African countries, assuming that this activity is undertaken in the context of reasonably sound overall economic management. The facility should be administered, as proposed, by the African Development Bank.